

## Advisory Notice

Clearing House

08-185

TO: Clearing Member Firms  
Chief Financial Officers  
Back Office Managers  
Margin Managers

FROM: Clearing House Department

SUBJECT: Performance Bond Requirements

DATE: August 15, 2008

**To receive advanced notification of Performance Bond (margin) changes, through our free automated mailing list, go to: [www.cme-ch.com/listserve/addlistserve.asp](http://www.cme-ch.com/listserve/addlistserve.asp) and subscribe to the Performance Bond Rates Advisory Notices listserver.**

As per the normal review of market volatility to ensure adequate collateral coverage, CME Group Performance Bond staff approved volatility scan range changes for the following products listed below. The Volatility Scan range is the amount by which the implied volatility levels are changed for each option during the Span margining process. For those Span margin scenarios that have implied volatility changes, the current implied volatility is moved either up or down by the amount of the Volatility Scan Range. For a futures-only portfolio, the Volatility Scan Range will have no effect. The rates will be effective with the launch of these products on **Monday, August 18, 2008**.

### CME Interest Rate Futures Outright Rates

Eurodollar Calendar Spread Options (CME) (SPO)

Rate Type	Change	New Initial	New Maintenance
Speculative - Old Crop	NA	\$405	\$300
Hedge/Member - Old Crop	NA	\$300	\$300

Volatility Scan Range – \$25  
Short Option Minimum – 1%

The volatility scan range is the change in implied volatility that is used in each of SPAN's 16 scenarios.